

EXHIBIT D

1 A. No, sir.

2 Q. So turn your attention to Exhibit 1, which
3 is the amended complaint. I have an extra copy.

4 MR. BURNS: Do you all have copies?

5 THE WITNESS: Can I have it?

6 MR. BURNS: Yes.

7 (A. Jain Exhibit No. 1, previously
8 marked, was identified for the
9 record.)

10 BY MR. BURNS:

11 Q. Specifically, page 26, paragraph 44. Do
12 you recall your earlier testimony on these
13 transactions?

14 A. Yes, sir.

15 Q. Generally, how were instructions provided
16 to Mr. Kotz regarding these transactions?

17 A. So mostly in person, mostly over the
18 phone, and via email.

19 Q. Did you provide the instructions to
20 Mr. Kotz?

21 A. Yes.

22 Q. Do you know, did anyone else provide

1 instructions regarding those transactions to
2 Mr. Kotz?

3 A. No, sir.

4 Q. Did you provide instructions to anyone
5 else at First Class Title other than Mr. Kotz
6 regarding those transactions?

7 A. No, sir.

8 Q. Are you aware of any transactions where
9 Ms. Butani provided Mr. Kotz with instructions as to
10 the scope of his involvement as to those
11 transactions?

12 A. I have no idea.

13 Q. So you're unaware?

14 A. Yeah, so if Ms. Butani talked with Dan, I
15 have no idea if she talk with him, or she don't talk
16 with him.

17 Q. But do you have knowledge, based on your
18 communications that you were privy to, whether or not
19 she provided Mr. Kotz with any instructions?

20 A. I cannot confirm this.

21 Q. So that's a no?

22 A. Hmm?

1 Q. That's a no, you don't recall?

2 A. I cannot confirm. Maybe yes, maybe no.

3 Q. But you don't know, sitting here today?

4 A. Yes, sir.

5 Q. How did you first learn of Mr. Kotz and
6 First Class Title?

7 A. So I'm doing business with Mr. Kotz and
8 First Class Title for, I guess, more than ten year.

9 Q. How were you referred to -- were you
10 referred to him? How did you first learn of
11 Mr. Kotz?

12 A. If I remember exactly, we have a realtor,
13 his name is Matt Winn. And he introduced me with
14 First Class Title.

15 Q. Were you involved in any transactions with
16 Mr. Kotz prior to the transactions with Bala Jain?

17 A. Yes.

18 Q. How many years were you doing business
19 with Mr. Kotz and First Class Title prior to these
20 transactions with Bala Jain, do you recall?

21 A. Since 2016 with Bala Jain. You mean how
22 many years before that?

1 Q. Before that, correct?

2 A. At least five, six years, since 2010, '11.

3 Q. Can you estimate the number of
4 transactions that predated the transactions with Bala
5 Jain?

6 A. I cannot estimate the transactions.

7 Q. Were there more than 100, less than 200?

8 A. Not more than 100 for sure.

9 Q. More than 50?

10 A. Less than 50.

11 Q. More than 25?

12 A. I cannot say.

13 Q. But you say less than 50?

14 A. Less than 50 is the right number.

15 Q. But more than 25?

16 A. I cannot confirm it, but less than 50 for
17 sure.

18 Q. For any of these transactions under
19 paragraph 44, was Mr. Kotz or First Class Title paid
20 any loan proceeds received from Bala Jain?

21 A. I think I don't understand your question.

22 Q. So the loan proceeds that would come in

1 Avenue address in Harrisburg, this is pretty much the
2 same answer regarding their role --

3 A. Right.

4 Q. -- First Class Title and Daniel Kotz as
5 with the other Pennsylvania --

6 A. Yes.

7 Q. -- locations? Did Mr. Kotz and First
8 Class Title follow your instructions regarding this?

9 A. Yes.

10 Q. The next paragraph is (s), which is the
11 449 Lawyers Road address, do you recall whether
12 Daniel Kotz or First Class Title had a role in this
13 transaction?

14 A. Yes.

15 Q. And do you recall what the role was?

16 A. The same thing. He followed my
17 instruction, make the paperwork, all of that, things
18 he normally do.

19 Q. What kind of paperwork, do you recall?

20 A. The same thing. He always do note, deed
21 of trust, all that type of paperwork.

22 Q. Anything else that you recall that he

1 addressed?

2 A. No.

3 Q. And you feel he followed your instructions
4 regarding that property?

5 A. Yes, sir.

6 Q. Paragraph (t), which is the 1010 Lynn
7 Street address. Do you recall whether Mr. Kotz and
8 First Class Title had a role regarding this
9 transaction?

10 A. Yes.

11 Q. What was the role?

12 A. The same role, he followed my instruction
13 and do the paperwork and stuff.

14 Q. Do you recall whether Mr. Kotz and First
15 Class Title handled the closing?

16 A. Yes.

17 Q. Do you recall whether First Class Title
18 was compensated regarding this transaction?

19 A. Not from us. From the HUD, I guess.

20 Q. What about the 1010 Lynn Street, was --
21 the previous address at 449 Lawyers Road, was
22 Mr. Kotz and First Class Title, were they compensated

1 for that transaction?

2 A. Not from us. He gets paid always from the
3 HUD.

4 Q. 18502 Corby Street, under paragraph (u),
5 do you recall First Class Title or Daniel Kotz had a
6 role in this transaction?

7 A. Yes.

8 Q. What was the role?

9 A. Same role. He do the closing, and I send
10 him the money, and he followed my instruction.

11 Q. And how was he compensated, do you recall,
12 on this transaction?

13 A. The same thing, on the HUD.

14 Q. What about the 445 Windover Avenue
15 location under paragraph (v)? Do you recall whether
16 Mr. Kotz or First Class Title had any role regarding
17 this transaction?

18 A. Yeah, the same role. He do the closing
19 and he got paid.

20 Q. Do you recall if he was paid?

21 A. Through the HUD.

22 Q. Mr. Kotz followed your instructions?

1 A. Yes, sir.

2 Q. Paragraph (w) pertains to the --
3 subparagraph (w) pertains to the 3110 P Street
4 address. Do you recall whether Mr. Kotz and First
5 Class Title had a role in this transaction?

6 A. Yes.

7 Q. What was the role?

8 A. The same role. He do the closing and he
9 pay everybody.

10 Q. And how was First Class Title and Mr. Kotz
11 compensated?

12 A. Through the HUD.

13 Q. And he followed your instructions?

14 A. Yes, sir.

15 Q. Subparagraph (x), which is the 1016
16 Cottage Street address. Do you recall whether
17 Mr. Kotz and First Class Title had a role regarding
18 this transaction?

19 A. The deal was fall through, so no loan.

20 Q. What do you mean by fell through?

21 A. The deal was -- never happened.

22 Q. Do you recall whether Mr. Kotz drafted any

1 Q. So there were certain transactions where
2 he just handled one aspect or it or drafted you a
3 document.

4 A. Yes.

5 Q. Is that fair?

6 A. Yes, that's fair.

7 Q. And did the documents he draft, generally,
8 were they sent solely to you, or to Ms. Butani, or to
9 both of you?

10 A. I got a copy for sure. I don't know about
11 he send to Ms. Butani or not.

12 Q. When you asked him to draft a document,
13 say, did he generally include Ms. Butani on that, the
14 communication back to you with the document, or was
15 it generally communicating directly with you?

16 A. I think generally connecting with me only.

17 Q. Do you feel that Mr. Kotz served as your
18 attorney for these transactions in paragraph 44?

19 A. Yes.

20 Q. And why do you feel that way?

21 A. Because he managed the money, I send him
22 the money. You can call attorney or escrow agent.

1 So he is managing those transactions.

2 Q. Do you recall for any of these
3 transactions whether you informed Mr. Kotz as to
4 whether Bala Jain desired to be in first lien
5 position or not?

6 A. No.

7 Q. You said you didn't tell him that?

8 A. No.

9 Q. And why not?

10 A. Because that's something between me and
11 Shail Butani, and that's got nothing to do with
12 Mr. Kotz. So I don't think it's necessary, and he
13 don't ask, I don't tell.

14 Q. Did you have any understanding with
15 Ms. Butani that you would exclusively coordinate with
16 Mr. Kotz regarding the transactions listed in
17 paragraph 44?

18 A. I'm sorry, one more time?

19 Q. Did you have any understanding or
20 communication with Ms. Butani that you would
21 exclusively or solely coordinate with Mr. Kotz --

22 A. No.

1 Q. -- regarding the transaction? You didn't
2 have that conversation?

3 A. No.

4 Q. At any point, did Ms. Butani tell you that
5 she believed Mr. Kotz was her attorney?

6 A. No.

7 Q. Did Ms. Butani ever ask you that she would
8 be regularly involved in communications between you
9 and Mr. Kotz regarding transactions with Bala Jain?

10 A. I'm sorry, say it one more time?

11 Q. Did Ms. Butani, at any point, tell you
12 that she should be involved in regular communications
13 involving transactions with Bala Jain, communications
14 with Daniel Kotz?

15 A. No.

16 Q. And if I heard your testimony correctly,
17 there were a number of circumstances where loan
18 proceeds were sent from Bala Jain directly to Eagle
19 prior to the execution of the deed of trust?

20 A. Most of the time, yes.

21 Q. Most of the time. Can you estimate the
22 number, the percentage of transactions between Eagle

1 and Bala Jain where that occurred?

2 A. How many transactions is on this, if I can
3 say, like 90 percent or maybe 95 percent.

4 Q. Why did that arrangement occur? Why
5 didn't it go through -- the proceeds sent by Bala
6 Jain, why didn't they go through the closing process?
7 Why were they sent directly to Eagle?

8 A. I answered this again. I can answer it
9 again for record purposes. Because by this, Bala
10 Jain can mingle the money for IRS purpose or make
11 investors happy purposes. I have no idea. But she
12 say, hey, I want to use my account more for money
13 goes in and out. And I don't refuse it. I say okay.

14 Q. At any point, did you share financial
15 information of Eagle with Mr. Kotz, meaning balance
16 sheets, ledgers, similar documents that indicate
17 revenue, that kind of thing?

18 A. No.

19 Q. Could you identify -- as you sit here, can
20 you identify which properties under paragraph 44
21 where you deposited the loans directly from Bala Jain
22 into First Class Title's trust account?

1 A. I'm sorry, say one more time?

2 Q. So there were a number of properties you
3 testified to under paragraph 44 where Mr. Kotz
4 handled the closing. Is that your testimony?

5 A. Right.

6 Q. So can you identify which of those
7 properties where the proceeds from the loans from
8 Bala Jain went into First Class Title's trust
9 account, as opposed to directly to Eagle?

10 A. I cannot verify it.

11 Q. Do you feel -- personally feel that First
12 Class Title caused any financial harm to Bala Jain?

13 A. No.

14 Q. Do you feel any actions of Daniel Kotz
15 caused financial harm to Bala Jain?

16 A. No.

17 Q. Is it fair to say that you kept Mr. Kotz
18 in the dark as to the details of the transactions
19 referenced in paragraph 44?

20 A. This is not fair to say.

21 Q. What do you mean by that?

22 A. Because Mr. Dan never asked, so I never

1 tell. So I never keep anybody in the dark.

2 Q. Let's rephrase it.

3 Is it fair to say that you didn't fill in
4 Mr. Kotz as to all the details of the transactions
5 listed in paragraph 44?

6 A. I'm going to answer simple way again.
7 Because Dan, I believe -- and I'm sure I tell, Dan
8 have nothing to do what we do with -- between me and
9 Bala Jain. So he don't ask, I don't tell, because he
10 really have nothing to do with it.

11 Q. So based on your testimony, is the answer
12 to my question yes, that you didn't inform him as to
13 every detail of the transactions listed in --

14 A. I don't tell him.

15 Q. And why not? Why didn't you fill him in?

16 A. Because I don't think it's necessary.

17 Q. Any other reasons?

18 A. Because Bala Jain -- I know what they are
19 doing, so I don't want to involve attorney in it. I
20 know what they're doing, but I am okay also because I
21 can make money, she can make money. So I don't think
22 attorney need to know those things.

1 And that's why I feel like it, keep it
2 secret, because I know IRS stuff is not legal to do
3 and all that stuff. So I don't want to say, hey,
4 look, this is happening, then ask me say, hey, Amit,
5 report to IRS or something. He always give me
6 advice.

7 Q. Any other reasons?

8 A. No.

9 Q. Did you ever witness Mr. Kotz make a false
10 statement regarding any transaction with Bala Jain?

11 A. I'm sorry, say one more time?

12 Q. I'll rephrase. Did you ever witness here
13 Mr. Kotz saying anything that was false or untrue
14 regarding transactions with Bala Jain?

15 A. No.

16 Q. Was there ever a circumstance where
17 Mr. Kotz didn't follow your instructions regarding a
18 particular transaction listed in paragraph 44?

19 A. I don't think so.

20 Q. You don't think so, or you don't recall?

21 A. I'd say I don't recall.

22 MR. BURNS: Off the record.

1 A. Yes.

2 Q. Are payments current?

3 A. Yes.

4 (A. Jain Exhibit No. 47, previously
5 marked, was identified for the
6 record.)

7 BY MR. MUSGRAVE:

8 Q. Now I would like to show you Exhibit 47,
9 which is a document titled purchase money deed of
10 trust in favor of Bala Jain, LLC. The date of the
11 instrument is November 22, 2017, and it references a
12 loan in the amount of \$340,000.

13 Are you familiar with this loan?

14 A. Yes.

15 Q. And what was the purpose of this loan,
16 Mr. Jain?

17 A. The same thing. Pay Bala Jain monthly
18 installment or for other purposes, for business use.

19 Q. Were the loan proceeds used in any way
20 with respect to 449 Lawyers Road?

21 A. Yeah, I'm sure, because we did renovation
22 on that property, so I'm sure it was used about six

1 years ago.

2 Q. Do you recall how much you spent on the
3 renovation of 449 Lawyers Road?

4 A. About 100, 150.

5 Q. So are you saying that roughly \$150,000 of
6 the \$340,000 borrowed from Bala Jain was used for
7 renovation of 449 Lawyers Road?

8 A. It is safe to say, yes.

9 Q. And I know you've testified about this
10 before, and I'm sorry for asking again. But can you
11 tell me why there was a delay in recording the deed
12 of trust?

13 A. So the same answer. For some tax purposes
14 or for some other benefits for Bala Jain.

15 Q. And is the \$340,000 loan reflected on
16 Exhibit 47 still outstanding?

17 A. Yes.

18 Q. So I'm going to represent to you that
19 paragraph 44 (s) of the amended complaint says that
20 Eagle borrowed \$340,000 from Bala Jain to purchase
21 and develop 449 Lawyers Road.

22 A. I'm sorry, sir, what's the paragraph

1 to repay while they were applying for a loan with
2 your company? Do you not think that's an important
3 fact?

4 MR. KHAN: Objection, ambiguous.

5 THE WITNESS: I don't think so.

6 BY MR. SHAFFER:

7 Q. You don't think that's an important fact,
8 that's your testimony?

9 A. Yes, sir.

10 Q. Okay. Let's talk about the next one,
11 Exhibit 37, sir. This was another deed that you
12 didn't record. This is 1203 Cottage Street,
13 Northwest.

14 MR. KHAN: One moment, counsel. 37?

15 MR. SHAFFER: Yes. Keep 47 in front of
16 him, please. Just a few follow-up questions.

17 BY MR. SHAFFER:

18 Q. You said you were getting about 2500 a
19 month in rent on that rental property, 449 Lawyers
20 Road; is that correct?

21 A. Correct.

22 Q. What do you do with that money on a

1 monthly basis?

2 A. I'm using it.

3 Q. Using it for what?

4 A. For pay Fulton Bank mortgage and others,
5 too.

6 Q. But you're not using it to repay Bala
7 Jain, correct?

8 A. Correct.

9 Q. And you also said that you used about 100
10 to 150K from Bala Jain to renovate 449 Lawyers Road.
11 Is that accurate?

12 A. Sounds correct.

13 Q. When were those renovations made?

14 A. Sorry, one more time.

15 Q. What year did you make those renovations?

16 A. When I bought this property.

17 Q. What year was that?

18 A. I have to go to record and take a look.
19 It must be here somewhere.

20 Q. Was it around the time of 2017?

21 A. It's possible.

22 Q. Okay. Were all the renovations completed